

**HISTORY, ART AND LIBRARIES**

**EXECUTIVE BUDGET BILL**

A bill to make appropriations for the department of history, arts and libraries for the fiscal year ending September 30, 2009; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the department of history, arts and libraries for the fiscal year ending September 30, 2009, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF HISTORY, ARTS AND LIBRARIES**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	227.0	
GROSS APPROPRIATION.....	\$	52,779,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		668,600

1	ADJUSTED GROSS APPROPRIATION.....	\$	52,111,300
2	Federal revenues:		
3	Total federal revenues.....		7,507,400
4	Special revenue funds:		
5	Total local revenues.....		200,000
6	Total private revenues.....		312,400
7	Total other state restricted revenues.....		3,979,800
8	State general fund/general purpose.....	\$	40,111,700
9	<b>Sec. 102. DEPARTMENT OPERATIONS</b>		
10	Full-time equated unclassified positions .....6.0		
11	Full-time equated classified positions .....29.0		
12	Unclassified salaries.....	\$	228,600
13	Management services--26.0 FTE positions.....		2,120,100
14	Building occupancy charges and rent.....		3,671,900
15	Worker's compensation.....		8,000
16	Film office--1.0 FTE position.....		193,600
17	Records center relocation expenses.....		870,000
18	Federal, local and private grants.....		600,000
19	Cultural economic development--2.0 FTE positions.....		361,300
20	Internal audit services.....		<u>170,800</u>
21	GROSS APPROPRIATION.....	\$	8,224,300
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG-Agency relocation assessments.....		551,300
25	Federal revenues:		
26	Federal funds .....		200,000
27	Special revenue funds:		
28	Private revenues.....		200,000
29	Local revenues.....		200,000

1	History, arts and libraries fund.....	112,000
2	State general fund/general purpose.....	\$ 6,961,000
3	<b>Sec. 103. INFORMATION TECHNOLOGY</b>	
4	Information technology services and projects.....	\$ <u>1,274,800</u>
5	GROSS APPROPRIATION.....	\$ 1,274,800
6	Appropriated from:	
7	Special revenue funds:	
8	Mackinac Island state park fund.....	46,900
9	State general fund/general purpose.....	\$ 1,227,900
10	<b>Sec. 104. COUNCIL FOR ARTS AND CULTURAL AFFAIRS</b>	
11	Full-time equated classified positions .....5.0	
12	Administration--5.0 FTE positions.....	\$ 530,200
13	Arts and cultural grants.....	<u>7,996,000</u>
14	GROSS APPROPRIATION.....	\$ 8,526,200
15	Appropriated from:	
16	Federal revenues:	
17	NFAH-NEA, promotion of the arts, partnership	
18	agreements .....	700,000
19	Special revenue funds:	
20	History, arts and libraries fund.....	100,000
21	State general fund/general purpose.....	\$ 7,726,200
22	<b>Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION</b>	
23	Full-time equated classified positions .....39.0	
24	Mackinac Island park operation--24.0 FTE positions....	\$ 1,674,800
25	Historical facilities system--15.0 FTE positions.....	<u>2,055,200</u>
26	GROSS APPROPRIATION.....	\$ 3,730,000
27	Appropriated from:	
28	Federal revenues:	
29	Federal funds.....	200,000

1	Special revenue funds:	
2	Mackinac Island state park operation fund.....	163,200
3	Mackinac Island state park fund.....	1,571,100
4	History, arts and libraries fund.....	200,000
5	State general fund/general purpose.....	\$ 1,595,700
6	<b>Sec. 106. MICHIGAN HISTORICAL PROGRAM</b>	
7	Full-time equated classified positions .....83.0	
8	Historical administration and services--63.0 FTE	
9	positions .....	\$ 5,974,700
10	State historic preservation programs (federal)--12.0	
11	FTE positions .....	850,000
12	Heritage publications--1.0 FTE position.....	700,000
13	Special programs--1.0 FTE position.....	112,400
14	Thunder Bay national marine sanctuary and underwater	
15	preserve--1.0 FTE position .....	202,600
16	Museum stores--4.0 FTE positions.....	500,000
17	Lighthouse preservation program--1.0 FTE position.....	<u>100,000</u>
18	GROSS APPROPRIATION.....	\$ 8,439,700
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG-MDOT, comprehensive transportation fund.....	3,900
22	IDG-MDOT, state aeronautics fund.....	2,500
23	IDG-MDOT, state trunkline fund.....	110,900
24	Federal revenues:	
25	DOI-NPS, historic preservation grants-in-aid.....	850,000
26	Special revenue funds:	
27	Private grants.....	10,000
28	Private - Mann house trust fund.....	102,400
29	Game and fish protection fund.....	3,500

1	Michigan heritage publications fund.....	700,000
2	Marine safety fund.....	400
3	Special revenue, internal service and pension trust...	72,700
4	State lottery fund.....	20,400
5	State services fee fund.....	12,800
6	Waterways fund.....	800
7	Museum operations fund.....	500,000
8	Michigan lighthouse preservation fund.....	100,000
9	History, arts and libraries fund.....	171,000
10	State general fund/general purpose..... \$	5,778,400

11     **Sec. 107. LIBRARY OF MICHIGAN**

12	Full-time equated classified positions .....71.0	
13	Book distribution centers..... \$	350,000
14	Library of Michigan operations--69.0 FTE positions....	6,172,500
15	Library services and technology program--2.0 FTE positions	5,557,400
16	State aid to libraries.....	10,000,000
17	Subregional state aid.....	<u>505,000</u>
18	GROSS APPROPRIATION..... \$	22,584,900

19     Appropriated from:

20     Federal revenues:

21	IMLS: library services and technology act.....	5,557,400
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22     Special revenue funds:

23	History, arts and libraries fund.....	205,000
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24	State general fund/general purpose..... \$	16,822,500
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25                                   PART 2

26                                   PROVISIONS CONCERNING APPROPRIATIONS

27     **GENERAL SECTIONS**

28             Sec. 201. Pursuant to section 30 of article IX of the state

29     constitution of 1963, total state spending from state resources

under part 1 for fiscal year 2008-2009 is \$44,091,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2008-2009 is \$11,235,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HISTORY, ARTS AND LIBRARIES

Arts and cultural grants.....	\$	730,400
State aid to libraries.....		10,000,000
Subregional state aid.....		<u>505,000</u>
Total department of history, arts and libraries.....	\$	11,235,400

Sec. 202. The appropriations authorized under this bill are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this appropriation bill:

(a) "Department" means the department of history, arts and libraries.

(b) "Director" means the director of the department of history, arts and libraries.

(c) "DOI-NPS" means the United States department of interior, national park service.

(d) "Fiscal agencies" means the house fiscal agency and the senate fiscal agency.

(e) "FTE" means full-time equated.

(f) "IDG" means interdepartmental grant.

(g) "IMLS" means institute of museum and library services.

(h) "MCACA" means the Michigan council for arts and cultural affairs.

(i) "MDOT" means the Michigan department of transportation.

(j) "NEA" means the national endowment for the arts.

1           (k) "NFAH" means the national foundation of the arts and the  
2 humanities.

3           (1) "Subcommittees" means all members of the appropriate  
4 subcommittees of the senate and house of representatives  
5 appropriations committees.

6           Sec. 204. The civil service commission shall bill departments  
7 and agencies at the end of the first fiscal quarter for the 1%  
8 charge authorized by section 5 of article XI of the state  
9 constitution of 1963. Payments shall be made for the total amount  
10 of the billing by the end of the second fiscal quarter.

11          Sec. 205. (1) A hiring freeze is imposed on the state  
12 classified civil service. State departments and agencies are  
13 prohibited from hiring any new full-time state classified civil  
14 service employees and prohibited from filling any vacant state  
15 classified civil service positions. This hiring freeze does not  
16 apply to internal transfers of classified employees from 1 position  
17 to another within a department.

18          (2) The state budget director may grant exceptions to this  
19 hiring freeze when the state budget director believes that the  
20 hiring freeze will result in rendering a state department or agency  
21 unable to deliver basic services, cause loss of revenue to the  
22 state, result in the inability of the state to receive federal  
23 funds, or necessitate additional expenditures that exceed any  
24 savings from maintaining a vacancy. The state budget director shall  
25 report quarterly to the chairpersons of the senate and house of  
26 representatives standing committees on appropriations the number of  
27 exceptions to the hiring freeze approved during the previous  
28 quarter and the reasons to justify the exception.

1       Sec. 208. The department shall use the Internet to fulfill the  
2 reporting requirements of this bill. This requirement may include  
3 transmission of reports via electronic mail to the recipients  
4 identified for each reporting requirement, or it may include  
5 placement of reports on an Internet or Intranet site.

6       Sec. 209. Funds appropriated in part 1 shall not be used for  
7 the purchase of foreign goods or services, or both, if  
8 competitively priced and of comparable quality American goods or  
9 services, or both, are available. Preference should be given to  
10 goods or services, or both, manufactured or provided by Michigan  
11 businesses, if they are competitively priced and of comparable  
12 quality. In addition, preference should be given to goods or  
13 services, or both, that are manufactured or provided by Michigan  
14 businesses owned and operated by veterans, if they are  
15 competitively priced and of comparable quality.

16       Sec. 211. The department shall establish and maintain  
17 affirmative action programs based on guidelines developed by the  
18 state equal opportunity workforce planning council which was  
19 created by Executive Order No. 1996-13 in order to receive general  
20 fund/general purpose dollars in compliance with section 26 of  
21 article I of the state constitution of 1963.

22       Sec. 213. From the funds appropriated in part 1 for  
23 information technology, departments and agencies shall pay user  
24 fees to the department of information technology for technology-  
25 related services and projects. Such user fees shall be subject to  
26 provisions of an interagency agreement between the department and  
27 the department of information technology.

28       Sec. 214. Amounts appropriated in part 1 for information  
29 technology may be designated as work projects and carried forward



1 to support technology projects under the direction of the  
2 department of information technology. Funds designated in this  
3 manner are not available for expenditure until approved as work  
4 projects under section 451a of the management and budget act, 1984  
5 PA 431, MCL 18.1451a.

6 Sec. 215. (1) The department may provide and enter into  
7 agreements to provide general services, training, meetings,  
8 information, special equipment, software, and facility use, and  
9 technical consulting services to other principal executive  
10 departments, state agencies, local units of government, the  
11 judicial branch of government, other organizations, and patrons of  
12 department facilities. Fees for services shall be reasonably  
13 related to the cost of providing the services and shall be used to  
14 offset the costs of the services. The department may receive and  
15 expend funds in addition to those authorized in part 1 which may  
16 include, but are not limited to the following:

17 (a) Supplying census-related information and technical  
18 services, publications, statistical studies, population projections  
19 and estimates, and other demographic products.

20 (b) Document and data imaging services, media, storage, and  
21 copies.

22 (c) Patron copier and document reproduction services and  
23 copies.

24 (d) Conferences, training classes, exhibits, programs, and  
25 workshops conducted as part of the department's mission.

26 (e) Use of specialized equipment, facilities, and software  
27 that permit distance learning and meetings, and group decision  
28 making.

1 (f) Special services including the rental of department  
2 exhibits and collections.

3 (g) Application and other fees.

4 (h) Grants, gifts, and bequests from private or public  
5 sources, including those for capital projects.

6 (2) The funds received under this section shall be deposited  
7 in and expended from the history, arts and libraries fund  
8 established in section 216 of this bill.

9 Sec. 216. (1) A fund known as the history, arts and libraries  
10 fund is created in the department. The fund shall be used to  
11 receive and expend funds identified in sections 215 and 404(a).  
12 All funds in excess of those funds appropriated in part 1 are  
13 appropriated for expenditure upon receipt. The fund balance may be  
14 carried forward for expenditure in subsequent fiscal years.

15 (2) The department shall provide a report to the senate and  
16 house of representatives appropriations subcommittees on history,  
17 arts and libraries, and to the state budget director, of all  
18 revenues to and expenditures from the history, arts and libraries  
19 fund in excess of those amounts appropriated in part 1. The report  
20 shall include an estimated fund balance for the fiscal year ending  
21 September 30, 2009. The report is due November 1, 2009.

22 Sec. 217. (1) Due to the current budgetary problems in this  
23 state, out-of-state travel for the fiscal year ending September 30,  
24 2009 shall be limited to situations in which 1 or more of the  
25 following conditions apply:

26 (a) The travel is required by legal mandate or court order or  
27 for law enforcement purposes.

1 (b) The travel is necessary to protect the health or safety of  
2 Michigan citizens or visitors or to assist other states in similar  
3 circumstances.

4 (c) The travel is necessary to produce budgetary savings or to  
5 increase state revenues, including protecting existing federal  
6 funds or securing additional federal funds.

7 (d) The travel is necessary to comply with federal  
8 requirements.

9 (e) The travel is necessary to secure specialized training for  
10 staff that is not available within this state.

11 (f) The travel is financed entirely by federal or nonstate  
12 funds.

13 (2) If out-of-state travel is necessary but does not meet 1 or  
14 more of the conditions in subsection (1), the state budget director  
15 may grant an exception to allow the travel. Any exceptions granted  
16 by the state budget director shall be reported on a monthly basis  
17 to the senate and house of representatives standing committees on  
18 appropriations.

19 (3) Not later than January 1 of each year, each department  
20 shall prepare a travel report listing all travel by classified and  
21 unclassified employees outside this state in the immediately  
22 preceding fiscal year that was funded in whole or in part with  
23 funds appropriated in the department's budget. The report shall be  
24 submitted to the senate and house of representatives standing  
25 committees on appropriations, the senate and house fiscal agencies,  
26 and the state budget director. The report shall include the  
27 following information:

28 (a) The name of each person receiving reimbursement for travel  
29 outside this state or whose travel costs were paid by this state.

1 (b) The destination of each travel occurrence.

2 (c) The dates of each travel occurrence.

3 (d) A brief statement of the reason for each travel  
4 occurrence.

5 (e) The transportation and related costs of each travel  
6 occurrence, including the proportion funded with state general  
7 fund/general purpose revenues, the proportion funded with state  
8 restricted revenues, the proportion funded with federal revenues,  
9 and the proportion funded with other revenues.

10 (f) A total of all out-of-state travel funded for the  
11 immediately preceding fiscal year.

12 Sec. 222. The director shall take all reasonable steps to  
13 ensure businesses in deprived and depressed communities compete for  
14 and perform contracts to provide services or supplies, or both. The  
15 director shall strongly encourage firms with which the department  
16 contracts to subcontract with certified businesses in depressed and  
17 deprived communities for services, supplies, or both.

18 Sec. 223. Funds appropriated in part 1 shall not be used by a  
19 principal executive department, state agency, or authority to hire  
20 a person to provide legal services that are the responsibility of  
21 the attorney general. This prohibition does not apply to legal  
22 services for bonding activities or for those activities that the  
23 attorney general authorizes.

24 Sec. 224. (1) The department of history, arts and libraries  
25 shall collaborate with the state board of education, the department  
26 of human services, the department of community health, and the  
27 department of labor and economic growth to extend the duration of  
28 the Michigan after-school partnership, and oversee its efforts to  
29 implement the policy recommendations and strategic next steps

1 identified in the Michigan after-school initiative's report of  
2 December 15, 2003.

3 (2) From the funds appropriated in part 1, \$25,000.00 may be  
4 used to support the Michigan after-school partnership. Funds shall  
5 be used to leverage other private and public funding to engage the  
6 public and private sectors in building and sustaining high-quality  
7 out-of-school-time programs and resources. The co-chairs,  
8 representing the department, the state board of education, the  
9 department of human services, the department of labor and economic  
10 growth, and the department of community health shall name a  
11 fiduciary agent and may authorize the fiduciary to expend funds and  
12 hire people to accomplish the work of the Michigan after-school  
13 partnership.

14 (3) Participation in the Michigan after-school partnership  
15 shall be expanded beyond the membership of the initial Michigan  
16 after-school initiative to increase the representation of parents,  
17 youth, foundations, employers, and others with experience in  
18 education, child care, after-school and youth development services,  
19 and crime and violence prevention, and to include representation  
20 from the Michigan department of history, arts and libraries. Each  
21 year, on or before December 31, the Michigan after-school  
22 partnership shall report its progress in reaching the  
23 recommendations set forth in the Michigan after-school initiative's  
24 report to the legislature and governor.

25 Sec. 226. (1) In addition to the funds appropriated in part 1,  
26 there is appropriated an amount not to exceed \$2,000,000.00 for  
27 federal contingency funds. These funds are not available for  
28 expenditure until they have been transferred to another line item

1 in this act under section 393(2) of the management and budget act,  
2 1984 PA 431, MCL 18.1393.

3 (2) In addition to the funds appropriated in part 1, there is  
4 appropriated an amount not to exceed \$1,000,000.00 for state  
5 restricted contingency funds. These funds are not available for  
6 expenditure until they have been transferred to another line item  
7 in this act under section 393(2) of the management and budget act,  
8 1984 PA 431, MCL 18.1393.

9 (3) In addition to the funds appropriated in part 1, there is  
10 appropriated an amount not to exceed \$100,000.00 for local  
11 contingency funds. These funds are not available for expenditure  
12 until they have been transferred to another line item in this act  
13 under section 393(2) of the management and budget act, 1984 PA 431,  
14 MCL 18.1393.

15 (4) In addition to the funds appropriated in part 1, there is  
16 appropriated an amount not to exceed \$750,000.00 for private  
17 contingency funds. These funds are not available for expenditure  
18 until they have been transferred to another line item in this act  
19 under section 393(2) of the management and budget act, 1984 PA 431,  
20 MCL 18.1393.

21 Sec. 228. Within 10 days of the receipt of a grant  
22 appropriated in the federal, local and private grants line item in  
23 part 1, the department shall notify the house and senate  
24 chairpersons of the appropriations subcommittees responsible for  
25 the department budget, the house and senate fiscal agencies, and  
26 the state budget director of the receipt of the grant, including  
27 the funding source, purpose, and amount of the grant.

28  
29 **MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

1           Sec. 401. (1) The MCACA in the department shall administer the  
2 arts and cultural grants appropriated in part 1.

3           (2) The MCACA shall render fair and independent decisions  
4 concerning arts and cultural grant requests and shall do all of the  
5 following:

6           (a) Use published criteria to evaluate program quality,  
7 including all of the following:

8           (i) The department's intended goals and outcomes for each  
9 program.

10          (ii) The department's quantifiable measures of success in  
11 meeting the intended goals and outcomes.

12          (b) Seek to award grants on an equitable geographic basis to  
13 the extent possible given the quality of grant applications  
14 received.

15          (c) Give priority to projects that serve multiple counties,  
16 leverage significant additional public and private investment, or  
17 demonstrate a significant potential to increase tourism or attract  
18 or retain businesses or residents.

19          (3) No payment shall be made under part 1 except upon  
20 application submitted in accordance with MCACA published criteria  
21 and procedures, which shall ensure both of the following:

22          (a) Artistic excellence and artistic merit are the criteria by  
23 which applications will be judged, taking into consideration  
24 general standards of decency and respect for the diverse beliefs  
25 and values of the people of this state.

26          (b) Criteria clearly indicate that obscenity is without  
27 artistic merit, is not protected speech, and will not be funded by  
28 a grant from appropriations under part 1.

1           (4) The MCACA shall provide for fair, equitable, and efficient  
2 distribution of funds granted through the regional regranting  
3 program. The MCACA shall provide for an annual assessment of grant  
4 management and distribution of mini-grant awards by designated  
5 regional regranting agencies and review the methodology employed.

6           (5) The MCACA shall continue and expand its efforts to  
7 encourage and support nonprofit arts and cultural organizations to  
8 transition from solely volunteer-based organizations to  
9 professionally directed operations. Criteria for support include  
10 the requirement of collaboration between these organizations and  
11 other community organizations.

12           (6) The department shall withhold undistributed grant payments  
13 from a grant recipient who violates the requirements for funding in  
14 subsection (3) and may disqualify the grant recipient from award of  
15 future grants for a period of not more than 3 years.

16           Sec. 402. The MCACA may award grants to counties, cities,  
17 villages, townships, community foundations and organizations in the  
18 following categories:

19           (a) Anchor organization program for organizations that serve  
20 regional and statewide audiences. Anchor organizations shall  
21 demonstrate a commitment to education, to mentoring smaller  
22 organizations, and to reaching underserved audiences.

23           (b) Arts projects program.

24           (c) Arts and learning program.

25           (d) Artists in residence for education program.

26           (e) Arts organization development program.

27           (f) Capital improvement program.

28           (g) Local arts agencies services program.

29           (h) Regional regranting program.



1 (i) Partnership program.

2 (j) Rural arts and cultural program.

3 (k) Cultural projects program.

4 (l) Historical society projects program.

5 (m) Discretionary grants program.

6 (n) Cultural and ethnic heritage centers and museums.

7 Sec. 403. (1) From the state funds appropriated in part 1 for  
8 arts and cultural grants, no one organization may receive more than  
9 15% of this funding.

10 (2) The MCACA shall make every effort to provide total grant  
11 awards in the anchor organization program at a level not to exceed  
12 70% of the total amount appropriated for arts and cultural grants.

13 (3) As documented in the audit report that is submitted as  
14 part of the grant application process, the total of all grants  
15 awarded to any organization receiving grants within the anchor  
16 organization program may not exceed 15% of their "total  
17 unrestricted revenues, gains, and other support", as defined by the  
18 financial accounting standards board in the accounting standards  
19 for not-for-profit organizations or equivalent accounting standards  
20 for other types of eligible organizations.

21 (4) Before any amount appropriated for arts and cultural  
22 grants in part 1 may be expended for a grant to an eligible  
23 recipient, the department shall execute a grant agreement with the  
24 recipient. The grant agreement shall identify the projects funded,  
25 specify the category in section 402 under which the grant is  
26 awarded, and include the prohibitions and sanctions identified in  
27 section 401(3) and (6).

28 Sec. 404. Grant applicants must meet and adhere to the  
29 following requirements:

1 (a) Each applicant shall pay a nonrefundable application fee  
2 of \$300.00 or 3% of the desired grant amount, whichever is less.  
3 Application fees shall be deposited in the history, arts and  
4 libraries fund established in section 216. The department may use  
5 the application fee to offset its direct and indirect costs.

6 (b) An applicant for a grant under the anchor organization  
7 program shall submit with the application the applicant's most  
8 recent annual audit report which states their "total unrestricted  
9 revenues, gains, and other support", as defined by the financial  
10 accounting standards board in the accounting standards for not-for-  
11 profit organizations or equivalent accounting standards for other  
12 types of eligible organizations. The audit report must cover an  
13 audit period that ends within 18 months of the date of the  
14 application.

15 (c) Each applicant shall identify proposed matching funds from  
16 local and/or private sources on a minimum of a dollar-for-dollar  
17 basis. The match may include the reasonable value of services,  
18 materials, and equipment as allowed under the federal internal  
19 revenue code for charitable contributions.

20 Sec. 405. Each grant recipient shall provide the MCACA with  
21 the following:

22 (a) Proof of the entire amount of the matching funds,  
23 services, materials, or equipment by the end of the award period.

24 (b) Within 30 days following the end of the grant period, a  
25 final report that includes the following:

26 (i) Project revenues and expenditures including grant matching  
27 fund amounts.

28 (ii) Number of patrons attracted or benefiting during the grant  
29 period.

1 (iii) A narrative summary of each project and its outcome.

2 (c) By April 7 of the grant year, each recipient of a grant  
3 greater than \$100,000.00 shall submit an interim report that  
4 includes the items identified in subdivision (b).

5 Sec. 406. (1) The department shall make the following reports:

6 (a) A report identifying the website location that contains a  
7 list of all grant recipients, sorted by county. This report shall  
8 be provided to each legislator within 1 business day of the  
9 announcement of annual awards by the MCACA.

10 (b) A report to the senate and house of representatives  
11 appropriations subcommittees, the state budget director, and the  
12 fiscal agencies, within 30 days after the MCACA announces the  
13 annual grant awards, that includes all of the following:

14 (i) A listing of each applicant.

15 (ii) The county of residence or domicile of the applicant.

16 (iii) The amount requested.

17 (iv) The amount awarded.

18 (v) The grant category under which an applicant applied.

19 (vi) A summary of projects funded for each recipient.

20 (vii) The expected number of patrons for an applicant during  
21 the grant period.

22 (viii) The amount of matching funds proposed by each applicant.

23 (ix) A listing containing the applicant, county of residence or  
24 domicile of the applicant, and amount awarded for any regranted  
25 funds in the preceding fiscal year.

26 (c) An annual report to the appropriations subcommittees, the  
27 state budget director, and the fiscal agencies is due when  
28 materials are first distributed by the MCACA seeking grant

1 applications for the subsequent fiscal year. The report shall  
2 contain the following:

3 (i) The MCACA guidelines for awarding grants.

4 (ii) A summary of any changes in the program guidelines from  
5 the previous fiscal year.

6 (2) The council shall report to the chairpersons of the senate  
7 and house of representatives appropriations subcommittees on  
8 history, arts and libraries by August 1 all unexpended or  
9 unencumbered discretionary grant funding that is available. The  
10 council shall not redistribute any unexpended or unencumbered grant  
11 funds during the fiscal year without a 10-day notice to the  
12 chairpersons of the senate and house of representatives  
13 appropriations subcommittees on history, arts and libraries.  
14

#### 15 **MICHIGAN HISTORICAL PROGRAM**

16 Sec. 501. The federal funds appropriated in part 1 for the  
17 historic site preservation grants are for work projects and shall  
18 not lapse at the end of the fiscal year but shall continue to be  
19 available for expenditure until the projects for which the funds  
20 were reserved have been completed or are terminated. The purpose of  
21 these work projects is the identification, designation,  
22 rehabilitation, and preservation of historic resources. The method  
23 used will be to solicit applications, score applications based upon  
24 established criteria, and award subgrants. The department shall  
25 execute a grant agreement with each recipient. The total cost is  
26 \$85,000.00, and the tentative completion date is September 30,  
27 2009.

28 Sec. 502. Funds collected by the department under sections 6,  
29 7, and 7a of 1913 PA 271, MCL 399.6, 399.7, and 399.7a, are

1 appropriated to the department for the purposes for which they were  
2 received, upon receipt.

3       Sec. 503. For the purposes of administering the museum store  
4 as provided in section 7a of 1913 PA 271, MCL 399.7a, the  
5 department is exempt from section 261 of the management and budget  
6 act, 1984 PA 431, MCL 18.1261.

7       Sec. 505. From the funds appropriated in part 1 for historical  
8 administration and services, \$25,000.00 may be allocated to support  
9 the operations of the Michigan freedom trail commission as  
10 specified in section 4 of the Michigan freedom trail commission  
11 act, 1998 PA 409, MCL 399.84. These funds shall be used to  
12 reimburse commission members, to pay for necessary contractual  
13 services of the commission, and to hire not more than 1.0 FTE  
14 position in the department's Michigan historical center to support  
15 commission operations.

16       Sec. 506. Proceeds in excess of costs incurred in the conduct  
17 of auctions, sales, or transfers of artifacts no longer considered  
18 suitable for the collections of the state historical museum are  
19 appropriated to the department and may be expended upon receipt for  
20 additional material for the collection.

## 21 22 LIBRARY OF MICHIGAN

23       Sec. 601. In order to receive subregional state aid as  
24 appropriated in part 1 to the library of Michigan, a subregional  
25 library's fiscal agency must agree to maintain local funding  
26 support at the same level in the current fiscal year as in the  
27 fiscal agency's preceding fiscal year. If a reduction in  
28 expenditures equally affects all agencies in a local unit of  
29 government that is the subregional library's fiscal agency, that

1 reduction shall not be interpreted as a reduction in local support  
2 and shall not disqualify a subregional library from receiving state  
3 aid under part 1. If a reduction in income affects a library  
4 cooperative or district library that is a subregional library's  
5 fiscal agency or a reduction in expenditures for the subregional  
6 library's fiscal agency, a reduction in expenditures for the  
7 subregional library shall not be interpreted as a reduction in  
8 local support and shall not disqualify a subregional library from  
9 receiving state aid under part 1.

10       Sec. 602. The funds appropriated in part 1 for a subregional  
11 library shall not be released until a budget for that subregional  
12 library has been approved by the department for expenditures for  
13 library services directly serving the blind and persons with  
14 disabilities.

15       Sec. 607. The funds appropriated in part 1 for book  
16 distribution centers shall be distributed equally to the public  
17 enrichment foundation and the Michigan friends of education.